## CHAPTER 2.07

## **CAMPAIGN REFORM**

(2507-11/81, 2721-10/84, 2818-3/86, \*3220-1/94, 3452-3/00, 3580-10/02, 3599-2/03, 3749-9/06, 3803-6/08, 3830-5/09)

\*The provisions of this Chapter shall become effective upon adoption, pursuant to Huntington Beach City Charter Section 500(e)(1). (3220-1/94)

<b>Sections:</b>	
2.07.010	Name
2.07.020	Purpose
2.07.030	Relation to Political Reform Act of 1974
2.07.040	Definitions
2.07.050	Campaign contribution limitations
2.07.060	(Repealed – Ordinance No. 3803-6/08)
2.07.070	Election cycle
2.07.080	Prohibition on multiple campaign committees
2.07.090	Prohibition on transfers
2.07.100	Loans to city candidates and elective city officers and their controlled committee
2.07.110	(Repealed – Ordinance No. 3803-6/08)
2.07.120	(Repealed – Ordinance No. 3803-6/08)
2.07.130	Transmittal of campaign contributions in city office buildings
2.07.140	Disclosure of occupation and employer
2.07.150	Reporting of cumulative contributions
2.07.160	(Repealed – Ordinance No. 3803-6/08)
2.07.170	(Repealed – Ordinance No. 3803-6/08)
2.07.180	(Repealed – Ordinance No. 3803-6/08)
2.07.190	(Repealed – Ordinance No. 3803-6/08)
2.07.200	(Repealed – Ordinance No. 3803-6/08)
2.07.210	(Repealed – Ordinance No. 3803-6/08)
2.07.220	Applicability of other laws
2.07.230	Severability
2.07.240	Interpretation of chapter
2.07.250	(Repealed – Ordinance No. 3803-6/08)
2.07.260	Effective date

- **2.07.010** Name. This Chapter shall be known and may be cited as the "City of Huntington Beach Campaign Reform Law." (3220-1/94)
- **2.07.020 Purpose.** The purpose of this Chapter is to ensure that the financial strength of certain individuals or organizations does not permit them to exercise a disproportionate or controlling influence on the election of City candidates. To achieve such purpose, this Chapter is designed to reduce the influence of large contributions, to ensure that multiple contributions in excess of the contribution limits do not originate from the same source of funds, to ensure that individuals and interest groups continue to have a fair and equal opportunity to participate in electing City candidates, and to maintain public trust in governmental institutions and the electoral process. (3220-1/94)
- **2.07.030** Relation to Political Reform Act of 1974. This Chapter is intended to supplement the Political Reform Act of 1974. Unless the term is specifically defined in this Chapter, or the contrary is stated or clearly appears from the context, words and phrases shall have the same meaning as when they are used in Title 9 of the <u>California Government Code</u>, in which the Political Reform Act of 1974 is codified, as the same may be, from time to time amended. (3220-1/94)

## **2.07.040 Definitions.**

- (a) "City Candidate" means any person who is a candidate for the city Council, City Clerk, City Treasurer, or City Attorney of the City of Huntington Beach. (3220-1/94)
- (b) "Elective City Officer" means any person who is Mayor, a member of the City Council, City Clerk, City Treasurer, or City Attorney of the City of Huntington Beach, whether appointed or elected. (3220-1/94)
- (c) "Non-elected City Official" means any person who is a member of a City of Huntington Beach board, committee, or commission, and who is not elected to that position. (3220-1/94)
- (d) "Person" means an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, association, committee, and any other organization or group of persons acting in concert. (3220-1/94)
- **2.07.050** Campaign contribution limitations. No person shall make to any City candidate or the controlled committee of any such City candidate, and no such candidate or committee shall accept from any such person, a contribution or contributions totaling more than five hundred dollars (\$500) in a City Council, City Clerk, City Treasurer, or City Attorney election cycle. Thereafter said contribution limitations shall increase by the October consumer price index (CPI) of Los Angeles, Long Beach, and Anaheim areas, rounded to the nearest \$10, effective at the beginning of each new election cycle. (3220-1/94, 3452-3/00, 3599-2/03, 3803-6/08)

## **2.07.070** Election cycle. (3749-9/06)

- (a) City Council, City Clerk, City Treasurer, and City Attorney Elections. For purposes of the limits of this Chapter, as applied to elections for City Council, City Clerk, City Treasurer, and City Attorney, the final date for contributions shall be December 31 of the year in which the election for the open position was held. Contributions made after the final date shall be deemed contributions for the next election cycle. Notwithstanding the foregoing, contributions made after the final date to an elected Council Member who is ineligible for a further consecutive term, shall be deemed a contribution for the most recent election cycle in which such Council Member was eligible, and such contributions shall be subject to all other limitations and regulations in effect during said election cycle. (3220-1/94, 3830-5/09)
- (b) **Examples of the Election Cycle.** January 1, 1987, to December 31, 1990, was the "Election Cycle" for the 1990 election. Pursuant to Section 2.07.070 Election Cycle, the four (4) year period for purposes of applying the interpretation of the Campaign Ordinance Election Cycle 2.07.070(a) shall be as follows: (3220-1/94)

Example 1. (3220-1/94)

1992 Election Cycle - Three Council Seats and City Clerk and City Treasurer: January 1, 1989 - December 31, 1992. (3220-1/94)

- (1) The "last election" was November 1988. (3220-1/94)
- (2) December 31, 1988, was the last or final date for receipt of campaign contributions for the 1988 election. (3220-1/94)
- (3) January 1, 1989, began the election cycle for the 1992 election. (3220-1/94)
- (4) December 31, 1992, ended the election cycle for the 1992 election. (3220-1/94)

## Example 2. (3220-1/94)

1994 Election Cycle - Four (4) Council Seats and City Attorney: January 1, 1991 - December 31, 1994. (3220-1/94)

- (1) The "last election" was November 1990. (3220-1/94)
- (2) December 31, 1990, was the last or final date for receipt of campaign contributions for the 1990 election. (3220-1/94)
- (3) January 1, 1991, began the election cycle for the 1994 election. (3220-1/94)
- (4) December 31, 1994, ends the election cycle for the 1994 election. (3220-1/94)

## Example 3. (3220-1/94)

1996 Election Cycle - Three (3) Council Seats and City Clerk and City Treasurer: January 1, 1993 - December 31, 1996. (3220-1/94)

- (1) The "last election" was November 1992. (3220-1/94)
- (2) December 31, 1992, was the last or final date for receipt of campaign contributions for the 1992 election. (3220-1/94)
- (3) January 1, 1993, began the election cycle for the 1996 election. (3220-1/94)
- (4) December 31, 1996, ends the election cycle for the 1996 election. (3220-1/94)
- (c) **Recalls.** For purposes of the limits of this Chapter, campaign contributions made at any time after a committee has been formed, pursuant to the provisions of the Political Reform Act, in support of a recall election or after the City Clerk has approved a recall petition for circulation and gathering of signatures, whichever occurs first, shall be considered contributions during a recall election cycle. A recall election cycle shall end whenever any of the following occur: (3220-1/94)
  - (1) The recall proponents fail to return signed petitions to the City Clerk within the time limits set forth in the California Elections Code. (3220-1/94)
  - (2) All committees formed in support of the recall have been terminated pursuant to the provisions of the Political Reform Act. (3220-1/94)
  - (3) Ten (10) days after a recall election has been held. (3220-1/94)

**2.07.080 Prohibition on multiple campaign committees.** A City candidate or an elective City officer shall have no more than one campaign committee which shall have only one bank account out of which all qualified campaign and office holder expenses related to that City office shall be made. This section does not prevent a City candidate or an elective City officer from establishing another campaign committee solely for the purpose of running for a state, federal, local, or other City office. This section also does not prevent an elective City officer from establishing another campaign committee solely for the purpose of opposing his or her own recall. (3220-1/94)

#### 2.07.090 Prohibition on transfers.

(a) No funds may be transferred into any city candidate or elective city officer's campaign committee from any other campaign committee controlled by a candidate (including said City candidate) or by an elective City officer (including said elective City officer.) (3220-1/94)

(b) No City candidate and no committee controlled by a City candidate or elective City officer shall make any contribution to any other City candidate running for office or to any committee supporting or opposing a City candidate for elective City office, nor to any committee supporting or opposing a recall of an elective City officer. This section shall not prohibit a City candidate from making a contribution from his or her own personal funds to his or her own candidacy or to the candidacy of any other candidate for elective City office.

(3220-1/94)

The provision of this section shall not apply to the candidate or elected officer who forms a new committee for purposes of reelection to the same office and, to close out the prior committee, transfers the money or debt from the prior committee to the new committee and, in so doing, complies with all regulations of the political Reform Act of 1974, and as amended. (3220-1/94)

# **2.07.100** Loans to City candidates and elective City officers and their controlled committee.

- (a) A loan shall be considered a contribution from the maker and the guarantor of the loan and shall be subject to the contribution limitations of this Chapter. (3220-1/94)
- (b) Every loan to a City candidate or elective City officer or their controlled committees shall be by written agreement which shall be filed with the candidate's or committee's Campaign Statement on which the loan is first reported. (3220-1/94)
- (c) The proceeds of a loan made to a City candidate or elective City officer by a commercial lending institution in the regular course of business on the same terms available to members of the public shall not be subject to the contribution limitations of this Chapter if the loan is made directly to the City Candidate or elective City officer or his or her controlled committee. The guarantors of such a loan shall remain subject to the contribution limits of this Chapter. (3220-1/94)
- (d) Extensions of credit (other than loans pursuant to Section 2.07.100(c) for a period of more than thirty (30) days are subject to the contribution limitations of this Chapter. (3220-1/94)
- (e) This section shall apply only to loans and extensions of credit used or intended for use for campaign purposes or which are otherwise connected with the holding of public office.

  (3220-1/94)
- (f) The monetary limitations or provisions of this section shall not apply to a candidate's loan of his or her personal funds to his or her own campaign committee. (3220-1/94)
- (g) No City candidate and no committee controlled by a City candidate or elective City officer shall make any contribution to any other City candidate running for office or to any committee supporting or opposing a City candidate for elective City office, nor to any committee supporting or opposing a recall of an elective City officer. This section shall not prohibit a City candidate from making a contribution from his or her own personal funds to his or her own candidacy or to the candidacy of any other candidate for elective City office.

  (3220-1/94)

## **2.07.130** Transmittal of campaign contributions in city office buildings.

(a) No person shall receive or personally deliver or attempt to deliver a contribution in any office which the City owns or for which the City pays the majority of the rent where the business of the City is conducted. (3220-1/94, 3803-6/08)

- (b) For purposes of this section: (3220-1/94)
  - (1) "Personally deliver" means delivery of a contribution in person or causing a contribution to be delivered in person by an agent or intermediary, other than the United States mail. (3220-1/94)
  - (2) "Receive" includes the receipt of a campaign contribution delivered in person. (3220-1/94, 3803-6/08)
- **2.07.140 Disclosure of occupation and employer.** No campaign contribution shall be deposited into a campaign bank account of a City candidate or elective City officer unless the disclosure information required by the Political Reform Act, including the name, address, occupation and employer of the contributor, or, if self employed, name of business, is on file in the records of the recipient of the contribution. This information is to be reported on each Campaign Statement required to be filed by the Political Reform Act. (3220-1/94)
- <u>2.07.150 Reporting of cumulative contributions</u>. A cumulative contribution for each contributor shall be based on an election cycle and shall be reported on each Campaign Statement required to be filed by the Political Reform Act. (3220-1/94)
- <u>2.07.220</u> Applicability of other laws. Nothing in this Chapter shall exempt any person from applicable provisions of any other laws of this state or jurisdiction. (3220-1/94)
- **2.07.230 Severability.** If any provisions of this Chapter, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of this Chapter, to the extent it can be given effect, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby, and to this extent the provisions of this Chapter are severable. (3220-1/94)
- $\underline{\textbf{2.07.240 Interpretation of chapter}}$ . This Chapter should be liberally construed to accomplish its purposes. (3220-1/94)
- **2.07.260 Effective date.** The provisions of this Chapter shall become effective upon adoption, pursuant to Huntington Beach City Charter Section 500(e)(1). (3220-1/94)